MAPRx Medicare Access for Patients Rx™ — Navigating the Prescription Drug Program

2007 Medicare Drug Open Enrollment

Top 12 Questions & Answers

Open Enrollment for Medicare prescription drug plans is November 15, 2006–December 31, 2006. This is the one time each year that all people with Medicare can change their Medicare drug plan. Plans are making changes to their benefits and new plans are being introduced. Your existing plan may or may not best meet your needs in 2007. **It is in your best interest to use this chance to shop around** and find the plan that best meets your prescription drug needs.

Following are answers to some important questions that can help you during Open Enrollment.

1. Will my Medicare prescription drug plan be the same in 2007 as it was in 2006?

Probably not. Almost all Medicare prescription drug plans will change in 2007.

2. How may my plan change in 2007?

The following details of your current plan may change:

- the amount of the monthly premium;
- the amount of your share of the costs (copayment or coinsurance);
- the drugs covered by the plan on their formulary;
- which drugs are on each tier of the plan's formulary (if the plan uses tiers to determine your share of a drug's costs);
- the use of prior authorization, step therapy, quantity limits, and mandatory generics, which may restrict coverage for a drug; and
- the type of coverage, if any, that the plan offers in the coverage gap.

3. How do I know what changes my plan is making for 2007?

You should have received a letter from your plan called an "Annual Notice of Change." This letter explains some of the important changes to your plan, including changes to the premium, the drugs covered (formulary), the cost of the drugs, and any restrictions used that limit the use of drugs. While very important, this letter **probably does not have all the details you need** to determine if this is the best plan for you in 2007.

You also need to know if **your** drugs are on the plan's formulary, what the cost share is for **your** drugs, and what limitations, if any, are placed on the use of those drugs. You can find this information in the plan's formulary or by calling the plan.

You may have received a copy of the formulary along with the Annual Notice of Change. If you did not receive a copy of the formulary, you should contact the plan and they will give you this information. The phone number for the plan's customer service department is included in the Annual Notice of Change you received. You may also get information about the formulary from the plan's website, by using the Medicare Prescription Drug Plan Finder at www.medicare.gov, or by calling 1-800-MEDICARE (1-800-633-4227/TTY: 1-877-486-2048).

4. Should I compare my plan with others available in my area in 2007?

Yes. There may be other plans that provide you with better or cheaper coverage for the drugs you need.

The best way to compare your plan with others is to use the Medicare Prescription Drug Plan Finder at www.medicare.gov—click on *Compare Medicare Prescription Drug Plans*. The Plan Finder will allow you to see the estimated costs for your current plan in 2007 and to compare those costs with other plans in your area.

An important new feature on the Plan Finder is an estimate of your total monthly costs over a 12-month period for each of the plans that you are considering. This information appears in a chart near the bottom of each plan's *Plan Drug Details* page in a section titled *Total Monthly Cost Estimator for Preferred Network Pharmacies*. Click on the name of the plan you are in to pull up the *Plan Drug Details* page.

5. What does it mean if a plan offers "coverage in the gap"?

The coverage gap is also called the "donut hole." The gap is a period during which you have to pay your monthly premium and all the costs for your drugs. The gap begins after you (and certain others on your behalf) and the plan together have spent a certain amount (no more than $2,400) on drugs that are included in the plan's formulary. The gap ends after you have spent $3,850 on covered drugs (this number reflects $5,451.25 in total drug costs paid by you and the plan together). After this amount has been spent, you qualify for catastrophic coverage. None of these amounts include what you spend on your monthly premiums.

"Coverage in the gap" means that the plan will continue to provide some coverage for generic or generic and brand drugs during the gap. Whether or not the plan has coverage in the gap, you still must spend $3,850 on covered drugs in addition to your monthly premiums before you are eligible for catastrophic coverage.

The *Plan Drug Details* page on the Plan Finder will show your estimated monthly costs for each plan you are considering and how those costs will or will not change during the coverage gap and by how much.

Depending on your prescription drug needs, plans with coverage in the gap may not save you money and may end up costing you more due to higher premiums and cost sharing.

If you get extra help paying your drug costs, you won't have a coverage gap. However, you will have to pay a small copayment or coinsurance amount for each prescription.

6. How does it impact my drug costs if one of my drugs is not on a plan's formulary?

You will pay the full cost for any drug not on the formulary. **The money you pay for these drugs will not count toward the total amount that you must spend to qualify for catastrophic coverage.** That is why it is important to make sure that your drugs, especially the most expensive ones, are on the formulary of the plan you select. Note: If your drug is not on the formulary, but you are able to get it covered by the plan under the plan's exceptions process, the money you spend on the drug is counted toward qualification for catastrophic coverage.

7. What do I have to do if I decide that my existing plan is still best for me and I do not want to change to a new plan?

Nothing. You will stay enrolled in your current plan unless you sign up for a new plan.

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8. If I decide to change plans, how do I do it and what's the deadline for making the change?

You can enroll in a new plan by contacting the plan you want to enroll in or by calling 1-800-MEDICARE (1-800-633-4227/TTY: 1-877-486-2048) or by visiting www.medicare.gov.

You can change your plan for 2007 by enrolling from November 15 through December 31, 2006. However, it is best to make the change by December 8, 2006, to ensure that you can get the prescriptions you need without delay on January 1, 2007. There is no fee for the process of changing to a new plan.

9. What if I change plans, but find that I don't like my new plan?

In general, you can only switch to another plan from November 15 to December 31 each year. However, there are special exceptions, such as if you move out of the state, lose your employer drug coverage, move into or out of a nursing facility, or if you have both Medicare and Medicaid coverage that will allow you to change to a new plan during 2007.

10. If I qualified for extra help (Low-Income Subsidy) in 2006, do I qualify in 2007?

Maybe. If you applied and qualified for extra help in 2006, Social Security must determine if you are still eligible for extra help and, if so, how much help you will get in 2007.

- If you applied and qualified for extra help before May 2006, Social Security has reviewed your eligibility for extra help and mailed you a letter about their records of your income and resources. You should follow the steps outlined in that letter to help Social Security make their determination about your eligibility in 2007. If you did not receive this letter or can not find it, you should contact Social Security at 1-800-772-1213/TTY: 1-800-325-0778.
- If you applied and qualified for extra help after May 2006, you will continue to be eligible for extra help until at least August of 2007.

Some people will no longer automatically qualify for extra help, even though they qualified in 2006. If you no longer automatically qualify, you received a letter from Medicare in September 2006. You may apply to Social Security to see if you still qualify for extra help based on your income and resources. An application should have been enclosed with the letter you received and is also available at www.ssa.gov/prescriptionhelp/.

11. If I received extra help in 2006 and qualify again in 2007, will my drug costs change?

There is a small across-the-board increase in drug copayments ranging from 10 cents to 35 cents per prescription. In addition, the copayment levels for some individuals will increase or decrease as a result of a change in their Medicaid status or income or if they move into or out of an institution. For those who will continue to automatically qualify for extra help but whose copayment levels are changing in 2007, you should have received a letter from Medicare in early October telling you your new copayment amounts.

12. Can I get free assistance to help me make decisions about Medicare prescription drug plans?

Yes. Every state has a State Health Insurance Assistance Program (SHIP) that offers free one-on-one counseling and assistance to people with Medicare and their families. Each SHIP has offices located throughout the state. Visit www.shiptalk.org to find the contact information for the SHIP office closest to your community. You can also call 1-800-MEDICARE (1-800-633-4227/TTY: 1-877-486-2048) for assistance.

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